

## SENATE BILL No. 340

### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 16-18-2; IC 16-25-1.1-3; IC 16-28-9-5.1; IC 28-1-23-7.1; IC 34-30-2-120.5.

**Synopsis:** Fraudulent schemes against the elderly. Prohibits an owner or employee at certain health care providers from receiving money or assets as a loan or gift from an individual who receives care from the provider. Makes the penalty for committing the offense a Class A misdemeanor. Increases the penalty to a Class D felony if the person has a prior conviction for this offense. Provides civil and criminal immunity to a financial institution that in good faith reports suspicious activity in the deposit account of an Indiana resident at least 60 years of age.

**Effective:** July 1, 2001.

### Zakas

January 16, 2001, read first time and referred to Committee on Corrections, Criminal and Civil Procedures.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## SENATE BILL No. 340

A BILL FOR AN ACT to amend the Indiana Code concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 16-18-2-167, AS AMENDED BY P.L.58-2000,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2001]: Sec. 167. (a) "Health facility", **for purposes of**  
4 **IC 16-28**, means a building, a structure, an institution, or other place  
5 for the reception, accommodation, board, care, or treatment extending  
6 beyond a continuous twenty-four (24) hour period in a week of more  
7 than four (4) individuals who need or desire such services because of  
8 physical or mental illness, infirmity, or impairment.  
9 (b) The term does not include the premises used for the reception,  
10 accommodation, board, care, or treatment in a household or family, for  
11 compensation, of a person related by blood to the head of the  
12 household or family (or to the spouse of the head of the household or  
13 family) within the degree of consanguinity of first cousins.  
14 (c) The term does not include any of the following:  
15 (1) Hotels, motels, or mobile homes when used as such.  
16 (2) Hospitals or mental hospitals, except for that part of a hospital  
17 that provides long term care services and functions as a health



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facility, in which case that part of the hospital is licensed under IC 16-21-2, but in all other respects is subject to IC 16-28.

(3) Hospices that furnish inpatient care and are licensed under IC 16-25-3.

(4) Institutions operated by the federal government.

(5) Foster family homes or day care centers.

(6) Schools for the deaf or blind.

(7) Day schools for the retarded.

(8) Day care centers.

(9) Children's homes and child placement agencies.

(10) Offices of practitioners of the healing arts.

(11) Any institution in which health care services and private duty nursing services are provided that is listed and certified by the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc.

(12) Industrial clinics providing only emergency medical services or first aid for employees.

(13) A residential facility (as defined in IC 12-7-2-165).

(14) Maternity homes.

(15) Offices of Christian Science practitioners.

SECTION 2. IC 16-18-2-173 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 173. (a) "Home health agency", for purposes of IC 16-27-1 **and IC 16-28-9-5.1**, has the meaning set forth in IC 16-27-1-2.

(b) "Home health agency", for purposes of IC 16-27-2, has the meaning set forth in IC 16-27-2-2.

SECTION 3. IC 16-25-1.1-3, AS AMENDED BY P.L.58-2000, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. "Hospice", **for purposes of this article and IC 16-28-9-5.1**, means a person that owns or operates a hospice program in Indiana.

SECTION 4. IC 16-28-9-5.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 5.1. An owner or employee of a:**

(1) health facility (as defined in IC 16-18-2-167);

(2) home health agency (as defined in IC 16-18-2-173); or

(3) hospice (as defined in IC 16-25-1.1-3);

**who receives money or assets as a loan or gift from a person who receives services at an entity described in subdivisions (1) through (3) commits a Class A misdemeanor. However, the offense is a Class D felony if the person has a prior unrelated conviction under this section.**

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SECTION 5. IC 28-1-23-7.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 7.1. (a) As used in this section, "suspicious activity" means:**

**(1) a substantial deviation in the balance of a deposit account (as defined in IC 28-9-2-5); or**

**(2) a recent pattern of withdrawals or expenditures that is inconsistent with previous withdrawals or expenditures during the life of the deposit account.**

**(b) A financial institution (as defined in IC 28-1-11-2.6) may report to a law enforcement agency any suspicious activity in a deposit account held by an Indiana resident who is at least sixty (60) years of age.**

**(c) A financial institution that in good faith:**

**(1) makes a report under subsection (b);**

**(2) participates in an investigation arising from a report made under subsection (b); or**

**(3) provides testimony or evidence at a judicial or administrative proceeding arising from a report made under subsection (b);**

**is immune from civil and criminal liability for taking an action described in subdivisions (1) through (3).**

SECTION 6. IC 34-30-2-120.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 120.5. IC 28-1-23-7.1 (concerning the reporting of suspicious activity in a deposit account by a financial institution).**

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